7/12/66

## MINUTE ITEM

18. APPLICATION FOR PROSPECTING PERMIT FOR GEOTHERMAL EMERGY, MENDOCINO COUNTY; D. D. FELDMAN - W.O. 5558, P.R.C. 3521.2.

After consideration of Calendar Item 12 attached, and upon motion duly made and carried, the following resolution was adopted:

PURSUANT TO SECTION 6891 OF THE PUBLIC RESOURCES CODE, THE COMMISSION FINDS THAT LOT 4, SECTION 4, TOWNSHIP 12 NORTH, RANGE 10 WEST, M.D.B.& M., MENDOCINO COUNTY, STATE OF CALIFORNIA, CONTAINING 27.79 ACRES, MORE OR LESS, IS NOT KNOWN MINERAL LAND; AND AUTHORIZES THE EXECUTIVE OFFICER TO ISSUE TO D. D. FELDMAN A TWO-YEAR PROSPECTING PERMIT AUTHORIZING PROSPECTING FOR GEOTHERMAL ENERGY, FOR MINERAL WATERS, FOR NONHYDROCARBON GASES, AND FOR ALL MINERALS OTHER THAN OIL AND GAS, IN SAID 27.79 ACRES OF LAND IN WHICH THE MINERALS ARE RESERVED TO THE STATE. THE FORM OF PERMIT TO BE USED, INCLUDING THE ROYALTY SCHEDULE, IS THE FORM APPROVED BY THE STATE LANDS COMMISSION ON MARCH 31, 1966, AND SHALL INCLUDE THE CONDITIONS CONTAINED IN EXHIBIT "A" ATTACHED AND HEREBY MADE A PART HEREOF. THE ROYALTY SCHEDULE SHALL ALSO PROVIDE THAT UPON ALL CARBON DIOXIDE AND OTHER MONHYDROCARBON GASES EXTRACTE, AND SAVED UNDER THIS LEAT, 16-2/3% OF THE CURRENT MARKET PRICE AT THE WELL AND OF ANY PREMIUM OR BONUS PAID ON ALL MONHYDROCARBON PRODUCTION PRODUCED OR SOLD FROM THE LEASED LANDS SHALL BE PAID TO THE STATE.

Attachment
Calendar Item 12 (3 pages)

12.

APPLICATION FOR PROSPECTING PERMIT FOR GEOTHERMAL ENERGY, MENDOCINO COUNTY; D. D. FELDMAN - W.O. 5558.

An application has been received from D. D. Feldman for a permit to prospect for geothermal energy, mineral waters, and all minerals other than oil and gas on 27.79 acres of land in which the minerals are reserved to the State in Section 4, T. 12 N., R. 10 W., M.D.B.& M., Mendocino County.

The surface owner, who was notified of the pending application, failed to exercise his preferential right to file an application for a permit in the six-month period, as set forth in Section 5893 of the Public Resources Code.

Both the Department of Fish and Game and the Water Pollution Control Board have requested that certain provisions be included in the prospecting permit form, the substantive content of which has been met.

Section 6891 of the Public Resources Code provides for the issuance to a qualified applicant of a prospecting permit for lands which are not known mineral lands.

The Geysers steam field is located thirteen miles southeasterly of the proposed permit area, the Little Geysers steam field is seventeen miles southeast of the permit area, and the Sulphur Pank steam field is located twelve miles southeast of the property.

The applicant proposes to explore for geothermal energy by employing various geological, geothermal, geochemical and/or geophysical methods, followed by drilling.

A field recommaissance of the area has established that the land sought is not known to contain commercially valuable deposits of mineral. The statutory filing fee of \$5 has been paid, and the permit fee of \$27.79 has been deposited by the applicant.

The Office of the Attorney General has advised that the permit complies with the applicable provisions of law and the Rules and Regulations of the Commission.

IT IS RECOMMENDED THAT, FURSUANT TO SECTION 6891 OF THE FUBLIC RESOURCES CODE, THE COMMISSION FIND THAT LOT 4, SECTION 4, TOWNSHIP 12 NORTH, RAWE 10 VEST, M.D.B.& M., MENDOCINO COUNTY, STATE OF CALIFORNIA, CONTAINING 27.79 ACRES, MORE OR LESS, IS NOT KNOWN MINERAL LAND; AND AUTHOR—IZE THE EXECUTIVE OFFICER TO ISSUE TO D. D. FELDMAN A TWO-YEAR FROS-PACTING PERMIT AUTHORIZING PROSFECTING FOR GEOTHERMAL ENERGY, FOR MINERAL WATERS, FOR NOWHYDROCARBON GASES, AND FOR ALL MINERALS OTHER THAN OIL AND GAS, IN SAID 27.79 ACRES OF LAND IN WHICH THE MINERALS ARE RESERVED TO THE STATE. THE FORM OF FERMIT TO BE USED, INCLUDING THE ROYALTY SCHEDULE,

## CALENDAR ITEM 12. (CONTD.)

IS THE FORM APPROVED BY THE STATE LANDS COMMISSION ON MARCH 31, 1966, AND SHALL INCLUDE THE CONDITIONS CONTAINED IN EXHIBIT "A" ATTACHED AND HEREBY MADE A PART HEREOF. THE ROYALTY SCHEDULE SHALL ALSO PROVIDE THAT UPON ALL CARBON DIOXIDE AND OTHER NONHYDROCARBON GASES EXTRACTED AND SAVED UNDER THIS LEASE, 16-2/3% OF THE CURRENT MARKET PRICE AT THE WELL AND OF ANY PREMIUM OR BONUS PAID ON ALL NONHYDROCARBON PRODUCTION PRODUCED OR SOLD FROM THE LEASED LANDS SHALL BE PAID TO THE STATE.

Attachment Exhibit "A"

## EXHIBIT "A"

- 1. Permittee shall contact the Regional Water Pollution Control Board and submit a report on proposed waste discharge in accordance with Section 13054 of the California Water Code. Permittee shall comply with any waste discharge requirements established by the Regional Water Pollution Control Board.
- 2. All waste discharges resulting from geothermal operations shall be confined to land and not be permitted to enter State surface waters.
- 3. Any land disposal operation of said wastes must be conducted in a manner that will not adversely affect wildlife resources. The Permittee shall consult with the Department of Fish and Game prior to and during operations.